Medical Assistance

(Medicaid – Title XIX)

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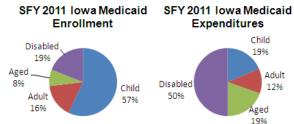
Purpose

Medical Assistance (Medicaid—Title XIX) provides health care coverage for financially-needy parents with children, children, people with disabilities, elderly people, and pregnant women. The goal is for recipients to live healthy, stable, and self-sufficient lives.

Who

- There were 386,000 people enrolled in regular Medicaid at the end of SFY11, a growth of about 5.2 percent. Growth was 9.4 percent the previous year. Of those newly enrolled, two-thirds were children. Continued
- The average lowa taxpayer cost per member in SFY2011 was \$2,382. Costs vary widely. Fifty seven percent of Medicaid members are children but they account for 19 percent of costs.

growth is expected in SFY12.



What

- lowa Medicaid provides preventive, acute, and long-term care services using the same private and public providers as other insurers in lowa. It is lowa's second largest insurer.
- lowa Medicaid plays a key role in the state's child welfare system by funding health care for children in state care. Medicaid also provides medical coverage to children in subsidized adoptive homes, thereby making permanent placement more accessible for children who cannot return to their birth families.
- Medicaid provides health insurance for "aged out" foster youth who are either full-time students or who work full time and who participate in Iowa's Preparation for Adult Living program.

How are we doing?

- lowa Medicaid focuses on patient education and disease management to control costs and improve health. Strategies include smoking cessation coverage, electronic health records, preventive medical exams, and health coaches to help manage diseases.
- Iowa Medicaid insists on efficiency and integrity. Pharmaceutical companies provide \$30 million in rebates in exchange for preferred use of their drugs. The program integrity unit engaged multiple strategies to prevent costs or require paybacks of \$23 million in SFY11.
- lowa Medicaid seeks to expand alternatives to institutional long-term care especially for the aged and disabled. Expenditures for "waiver" programs to help people in their own homes or communities now nearly equal expenditures for nursing homes.
- Medicaid pays over 20 million claims annually. Claims are paid within a week of receipt.
- lowa Medicaid's functions are administered by "best in breed" private contractors to efficiently process medical claims, serve providers and members, and aggressively pursue savings and recoveries. This allows niche specialists and regional players. Most states use a one-winner-takes-all format.
- A federal audit shows lowa's Medicaid program is among the nation's most accurate.
 The Payment Error Rate Measurement shows the overall error rate in lowa is about half the national average.
- Iowa Medicaid is taking aggressive steps to be ready for sweeping changes required by the Affordable Care Act, which will expand membership by at least 100,000. Among the largest changes is gradual replacement of main frame computers. Medicaid will also play a key roll in the new insurance exchange program.